

## Ford stock sinks to a 6-year low

By Ian Thibodeau (excerpt)

Ford Motor Co. shares traded below \$9 on Tuesday for the first time in more than six years, a low point that experts blame in part on the Dearborn automaker's reluctance to share a detailed map of its future.

The stock price slumped 3.4 percent Tuesday to close at \$8.95 per share. Blue Oval stock hadn't closed below \$9 per share since August 2012, when it hit \$8.92. The stock is down roughly 28 percent this year, and is off about 20 percent since CEO Jim Hackett ascended to the top job in May 2017.

Wall Street might be punishing Ford, experts and company officials say, but that doesn't amount to a crisis. Automakers in general are falling out of favor with investors as U.S. sales figures continue to flatten, vehicle prices increase and ongoing trade wars add uncertainty to the mix.

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... Ford's real problem right now is the stock price, said David Kudla, CEO of Grand Blanc-based Mainstay Capital Management LLC, and convincing investors it has a future in Auto 2.0. Ford's shares are floundering because company officials have yet to telegraph clearly the company's plan for autonomous vehicles and its restructuring.

"This is not 2008," Kudla said, referring to the troubled macro-economic environment Ford and its rivals faced a decade ago amid the global financial meltdown. "This is not 1992. There's no crisis at hand here. This isn't a financial crisis for Ford. They have time to do this methodically and do it optimally. What we still want to see is more of that articulation. More of that messaging of their strategic plan." ...

... The lack of detail is exacting a price, said Kudla: "Where is the company going and what people can invest on? You see a lot of that at GM. Investors are looking for more of that detail from Hackett and from Ford.

But if Ford officials want to improve the stock price — Bill Ford and the Ford family have huge portions of their personal wealth tied to the stock — the company needs to give investors and other constituencies a clearer picture of its future, Kudla said.

"This stock price discounts the future," he said. "That's what people are looking for: What's the future at Ford?"

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